

REGISTERED NUMBER: 04129500 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 December 2019
for
Asterion Limited**

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for the year ended 31 December 2019

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Asterion Limited

Company Information *for the year ended 31 December 2019*

DIRECTORS:

IP2IPO Services Limited
Professor R Ross

REGISTERED OFFICE:

Windsor House
Cornwall Road
Harrogate
HG1 2PW

REGISTERED NUMBER:

04129500 (England and Wales)

INDEPENDENT AUDITORS:

KPMG LLP
Chartered Accountants
Registered Auditor
15 Canada Square
London
E14 5GL

Asterion Limited (Registered number: 04129500)

Report of the Directors
for the year ended 31 December 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The Company is principally engaged in the research and development into and the marketing of biotechnology including collaborative research and development with third parties.

REVIEW OF BUSINESS

The loss for the year amounted to £121,649 (2018: £107,140). The directors have not recommended a dividend (2018: £nil).

EVENTS SINCE THE END OF THE YEAR

At present, the Directors do not envisage the Covid-19 pandemic will result in a significant adverse impact for the Company, however given that the outcome of the Covid-19 pandemic is uncertain we acknowledge that a definitive assessment of its impact cannot be made at this time.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

IP2IPO Services Limited
Professor R Ross

Other changes in directors holding office are as follows:

Dr L Patel - resigned 8 April 2019

Dr P L Grant ceased to be a director after 31 December 2019 but prior to the date of this report.

POLITICAL CONTRIBUTIONS

The Company made no political contributions during the year (2018; £nil).

GOING CONCERN

Notwithstanding net liabilities of £1,571,941 as at 31 December 2019 and a loss for the year then ended of £121,649, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period. The directors have considered the impact of the emergence and spread of COVID-19 and potential implications on the Company's future operations. Whilst there are significant wider market uncertainties which may impact any future fundraising, the directors do not believe this will impact the ability of the Company to continue as a going concern over the next 12 months.

Those forecasts are dependent on the company's immediate parent company, IP2IPO Limited, not seeking repayment of the amounts currently due to the group, which at 31 December 2019 amounted to £1,609,320. IP2IPO Limited has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Asterion Limited (Registered number: 04129500)

Report of the Directors
for the year ended 31 December 2019

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditor, KPMG LLP is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Chris Glasson

.....
IP2IPO Services Limited - Director

Dec 20, 2020

Date:

Asterion Limited (Registered number: 04129500)

Statement of Directors' Responsibilities
for the year ended 31 December 2019

The directors are responsible for preparing the the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Independent Auditors to the Members of Asterion Limited

Opinion

We have audited the financial statements of Asterion Limited ("the company") for the year ended 31 December 2019 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Report of the Independent Auditors to the Members of Asterion Limited

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Noonan

Mark Noonan (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants
Registered Auditor
15 Canada Square
London
E14 5GL

Date: 21 December 2020

Asterion Limited (Registered number: 04129500)

Income Statement and Statement of Comprehensive Income
for the year ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER		-	-
Administrative expenses		<u>60,988</u>	<u>48,105</u>
OPERATING LOSS		(60,988)	(48,105)
Interest receivable and similar income		<u>170</u>	<u>104</u>
		(60,818)	(48,001)
Interest payable and similar expenses	4	<u>(60,831)</u>	<u>(59,139)</u>
LOSS BEFORE TAXATION	5	(121,649)	(107,140)
Tax on loss	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(121,649)	(107,140)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(121,649)</u>	<u>(107,140)</u>

The notes form part of these financial statements

Asterion Limited (Registered number: 04129500)

Statement of Financial Position
31 December 2019

			2019		2018
	Notes	£	£	£	As restated*
CURRENT ASSETS					£
Debtors	7		9,343		1,151
Cash at bank			<u>58,090</u>		<u>100,595</u>
			67,433		101,746
CREDITORS					
Amounts falling due within one year	8		<u>1,639,374</u>		<u>1,552,038</u>
NET LIABILITIES			<u>(1,571,941)</u>		<u>(1,450,292)</u>
CAPITAL AND RESERVES					
Called up share capital	10		11,074		11,074
Share premium			544,048		544,048
Retained earnings			<u>(2,127,063)</u>		<u>(2,005,414)</u>
SHAREHOLDERS' FUNDS			<u>(1,571,941)</u>		<u>(1,450,292)</u>

* Please refer to note 8 for details of the restatement

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on ~~Dec 20, 2020~~..... and were signed on its behalf by:

Chris Glasson

.....
IP2IPO Services Limited - Director

The notes form part of these financial statements

Asterion Limited (Registered number: 04129500)

Statement of Changes in Equity
for the year ended 31 December 2019

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2018	11,074	(1,898,274)	544,048	(1,343,152)
Changes in equity				
Total comprehensive loss	<u>-</u>	<u>(107,140)</u>	<u>-</u>	<u>(107,140)</u>
Balance at 31 December 2018	<u>11,074</u>	<u>(2,005,414)</u>	<u>544,048</u>	<u>(1,450,292)</u>
Changes in equity				
Total comprehensive loss	<u>-</u>	<u>(121,649)</u>	<u>-</u>	<u>(121,649)</u>
Balance at 31 December 2019	<u>11,074</u>	<u>(2,127,063)</u>	<u>544,048</u>	<u>(1,571,941)</u>

The notes form part of these financial statements

Asterion Limited (Registered number: 04129500)

Notes to the Financial Statements
for the year ended 31 December 2019

1. STATUTORY INFORMATION

Asterion Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Subsequent amendments to FRS 101 which are effective for these financial statements have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's ultimate parent undertaking, IP Group plc, includes Asterion Limited in its consolidated financial statements. The consolidated financial statements of IP Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the company secretary at IP Group plc, The Walbrook Building, 25 Walbrook, London, EC4N 8AF.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures: a Cash Flow Statement and related notes; disclosures in respect of transactions with wholly owned subsidiaries; disclosures in respect of capital management; the effect of new but not yet effective IFRSs; and disclosures of transactions with a management entity that provides key management personnel services to the company.

As the ultimate parent company, IP Group plc's consolidated financial statements include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures: certain disclosures required by IFRS 13 Fair Value Measurements, IAS 24 Related Party Disclosures and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Going concern

Notwithstanding net liabilities of £1,571,941 as at 31 December 2019 and a loss for the year then ended of £121,649, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period. The directors have considered the impact of the emergence and spread of COVID-19 and potential implications on the Company's future operations. Whilst there are significant wider market uncertainties which may impact any future fundraising, the directors do not believe this will impact the ability of the Company to continue as a going concern over the next 12 months.

Those forecasts are dependent on the company's immediate parent company, IP2IPO Limited, not seeking repayment of the amounts currently due to the group, which at 31 December 2019 amounted to £1,609,320. IP2IPO Limited has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2019 nor for the year ended 31 December 2018.

The average number of employees during the year was NIL (2018 - NIL).

The directors were remunerated for their services to other group companies within the group headed by the company's ultimate parent, IP Group plc. The directors of the company chose to waive any remuneration during the year ended 31 December 2019 for their services to this entity.

	2019	2018
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Loan	<u>60,831</u>	<u>59,139</u>

5. LOSS BEFORE TAXATION

The loss before taxation is stated after charging:

	2019	2018
	£	£
Administrative expenses	<u>60,988</u>	<u>48,105</u>

Asterion Limited (Registered number: 04129500)

Notes to the Financial Statements - continued
for the year ended 31 December 2019

6. TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Loss before income tax	<u>(121,649)</u>	<u>(107,140)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(23,113)	(20,357)
Effects of:		
Tax loss not recognised	<u>23,113</u>	<u>20,357</u>
Tax expense	<u>-</u>	<u>-</u>

There is a potential deferred tax asset at 31 December 2019 of £647,806 (2018: £624,088) relating to losses of £3,409,505 (2018: £3,284,676). This asset has not been recognised in the financial statements due to current uncertainties surrounding the reversal of the underlying timing differences.

The deferred tax asset would be recovered if there were future taxable profits from which the reversal of the underlying timing differences could be deducted.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Other debtors	<u>9,343</u>	<u>1,151</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 As restated £
Trade creditors	26,797	1,735
Accruals and deferred income	3,257	1,814
Amounts owed to group undertakings	<u>1,609,320</u>	<u>1,548,489</u>
	<u>1,639,374</u>	<u>1,552,038</u>

Prior year adjustment

In the current period it was identified that an amount owed to a group undertaking, which was classified as a non-current liability was repayable on demand and therefore should have been classified as a current liability. As such this amount of £1,548,489 has been reclassified from non-current liabilities to current liabilities in the balance sheet. This has no effect on the net asset position or the loss for the year.

Asterion Limited (Registered number: 04129500)

Notes to the Financial Statements - continued
for the year ended 31 December 2019

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	As restated* £
Amounts owed to group undertakings	<u>-</u>	<u>-</u>

* Please refer to note 8 for details of the restatement

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
110,741	Ordinary	£0.10	<u>11,074</u>	<u>11,074</u>

11. AUDITORS' REMUNERATION

	2019	2018
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>4,000</u>	<u>2,632</u>

The above fee was paid by IP2IPO Limited on behalf of the Company.

12. RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary of IP Group plc, the company has taken advantage of the exemption contained in IAS 24 and has therefore not disclosed transactions or balances with entities which form part of the IP Group plc group.

13. ULTIMATE CONTROLLING PARTY

The immediate parent company is IP2IPO Limited and the ultimate controlling party is considered to be IP Group plc. The immediate and ultimate parent companies are incorporated in the United Kingdom. The results of the company are consolidated in the group accounts of the ultimate parent company's financial statements. The consolidated financial statements of IP Group plc are available to the public and may be obtained from IP Group plc, The Walbrook Building, 25 Walbrook, London, EC4N 8AF.

14. EVENTS AFTER THE REPORTING PERIOD

At present, the Directors do not envisage the Covid-19 pandemic will result in a significant adverse impact for the Company, however given that the outcome of the Covid-19 pandemic is uncertain we acknowledge that a definitive assessment of its impact cannot be made at this time.